



# FRENCH SMALL ONLINE BUSINESS TRADE SUMMARY 2015

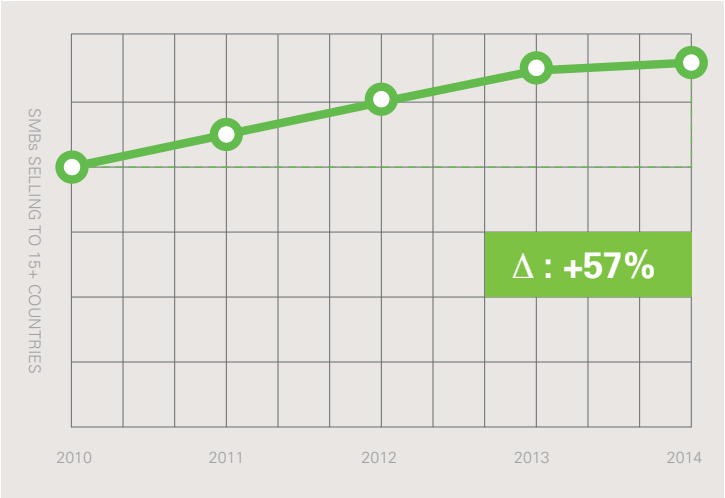
USING THE EBAY PLATFORM, SMALL ONLINE BUSINESSES<sup>1</sup> IN FRANCE ARE REACHING FURTHER AROUND THE WORLD THAN EVER BEFORE

50.6% of all French small online businesses reach more than four continents, classing them as genuinely 'global' sellers, whilst the EU28 average of small online businesses reaching more than four continents is only 39.1%

**50.6%**  
FRENCH SMBs REACH  
4 or more continents

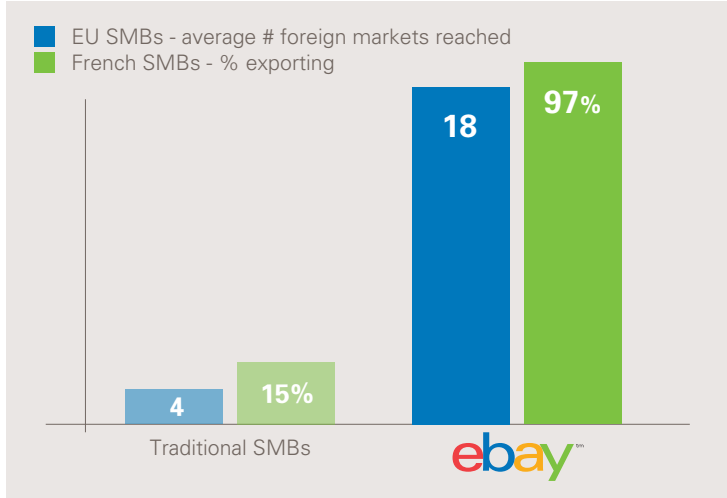
**39.1%**  
EU SMBs REACH  
4 or more continents

## This growth is driven by a boom in exports... GROWTH OF SMB REACH SINCE 2010



For the period 2010 to 2014, the number of French SMBs on eBay exporting to 15 or more countries increased by over 57%.

## EBAY VS TRADITIONAL SMBs

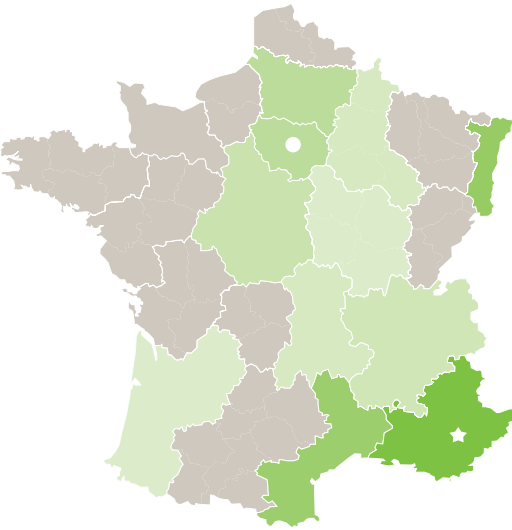


97% of SMBs using the eBay marketplace in France export – in contrast to an average of 15% of traditional firms.

## And by small online businesses outside Paris driving regional growth...

## DIGITAL DENSITY

Regional heatmap featuring the top 10 ranked NUTS-2<sup>3</sup> regions for Digital Density.



The report assessed the number of small online businesses on eBay alongside their location and volume of sales to find the 'Digital Density' of different areas across France<sup>2</sup>. This found that many of France's lower ranked regions<sup>3</sup> by GDP per capita and population (POP) had a higher Digital Density (DD) than Île-de-France - a trend that suggests regions are benefitting from technology.

DD	FRANCE	KEY FINDING
1	Provence-Alpes-Côte d'Azur	<p><b>Île-de-France</b> (#1 GDP / #1 POP) ranks as <b>4th region</b> behind rural regions</p>
2	Alsace	
3	Languedoc-Roussillon	
4	Île-de-France	
5	Picardie	
6	Centre	
7	Rhône-Alpes	
8	Champagne-Ardenne	
9	Bourgogne	
10	Aquitaine	

<sup>1</sup> Small online businesses or commercial sellers (also referred to here as eBay SMBs) are defined as those that have made more than 10k USD (currently 9000 euros) GMV [Gross Merchandise Volume, which indicates a total sales dollar value for merchandise sold through a particular marketplace over a certain time frame] in any given year. For the purposes of new businesses since the crisis, these are businesses with no sales in 2010, but more than 10k USD GMV each year during the 2011-2014 period.  
<sup>2</sup> The Digital Density is a ranking of the density of small online businesses by region based on a weighted average of two metrics: eBay "Commercial Sellers" per 100,000 inhabitants and sales by these sellers. The weighted average puts more emphasis on the sales per business, as activity is the key to success.  
<sup>3</sup> This report looks at the NUTS2 regions, and we have used the 2010 classification that divides the EU into 272 regions: <http://ec.europa.eu/eurostat/web/nuts/history>

## Technology is creating this opportunity...

### EBAY ALLOWS SMBs TO



Access the same customer base as established business



Scale up quickly



Compete globally



Capture a larger share of the market as a newcomer

## Hurdles are being overcome...

### EBAY PLATFORM EASES THE BURDEN



**LANGUAGE**  
Improved machine translations



**SHIPPING**  
Aggregated shipping programs



**CUSTOMS**  
International customs expertise

## Which means small online businesses are more competitive from the start...

### TECHNOLOGY CREATING A MORE INCLUSIVE MODEL OF COMMERCE

Startup businesses, or newcomers, on the eBay Marketplace in France capture 21% of market share in just one year, whereas newcomers only make up 3% of the traditional European export market.



The top 5% of eBay SMBs across France only account for 40% of the exports. The top 5% of traditional firms account for roughly 82% of EU "offline" exports.



## and more resilient...

### TRADERS STILL EXPORTING AFTER 3 YEARS



The World Bank has found that across six EU countries, only 16% of traditional exporting firms were still exporting after 3 years, compared to 71% of exporters on eBay that continue to export.



**71%** of exporters on eBay continue to export after 3 years

**16%** of traditional businesses continue to export after 3 years

## LOOKING AHEAD

The ability of SMBs to compete in global commerce is good economics:



Creates more growth & wealth



Encourages good global politics & globalisation



Benefits society with a more inclusive global economic model

We encourage our industry peers, government and development agencies to advocate for SMBs and help break down common trade barriers by:



Taking concrete action to support French SMBs trading online and across borders



Protecting Intermediaries Against Third Party Liability



Active use of competition law to support online trade

<http://www.ebaymainstreet.com/lab>

The French Small Online Business Trade Summary 2015 shares new eBay data from the eBay Policy Lab, analysed by Sidley Austin LLP. To allow for comparisons with "traditional" SMEs, i.e., regular brick-and-mortar companies, Sidley has used data from publicly available sources, including from the World Bank, UN Comtrade, Eurostat, and various statistical agencies within Member States.